

2001 Financial Summary

Prepared by the
Financial Services Division

Our community

Troy Township and its original 13,673 residents became the City of Troy in 1955. Over the past 45 years, the population has grown to nearly 85,000 citizens and over 6,000 businesses. The City's 34.3 square miles transformed from their rural beginnings into one of the most desirable locations to live, work, raise a family and run a business. Today, Troy stands rich in opportunity, thriving businesses, cultural events, and beautiful neighborhoods.

The typical work-day population swells to 125,000. Interstate Highway 75 provides excellent access to commuters and shipping companies alike via five exits into the City. The expanding residential and business sectors have built the City's taxable value (TV) to over \$4.4 billion - second only to one other Michigan municipality (City of Detroit).

City Government

The City of Troy operates under a Council-Manager form of government. The Mayor and six members of the City Council are elected to staggered, three-year terms. By a majority vote, the Council appoints a City Manager to oversee the day to day operations and administrative functions.

The City administration commits itself to furnishing high levels of service. This is the keystone to the exceptional quality of life our residents expect and deserve. Those services include police and fire protection, refuse collection, water and wastewater collection, street maintenance, public improvements, planning, zoning, and general administrative services. Troy maintains recreation and leisure facilities including the Troy Public Library, Troy Museum & Historic Village, Family Aquatic Center, Stage Nature Center, Sylvan Glen Golf Course, 540 acres of park land and the Community Center. These elements are maintained and developed to accommodate the needs of individuals, families, neighborhoods and business sectors within the community.

Education

Top-rated school systems for K-12 education reinforce Troy's community strength and property values. Troy School District (TSD) serves the majority of households with an enrollment of over 12,000 students. *The Detroit News* gave TSD an "A+" grade and scored third among 88 districts in Metro Detroit. Six bordering school districts also serve Troy: Avondale (A-), Birmingham (A), Bloomfield Hills (A), Lamphere (B), Royal Oak(B+) and Warren Consolidated (B). Residents have access to higher education through local institutions like Cornerstone College, the Michigan State Management Education Center, University of Phoenix, Walsh College and nearby Oakland Community College and Oakland University. Central Michigan University, Northwood Institute, Spring Arbor College and University of Michigan-Flint all offer courses at satellite locations within Troy.

Businesses

Troy businesses span a full range of financial, retail, automotive, technology, hospitality, service and manufacturing industries. Corner bagel shops, international corporate headquarters, and manufacturing facilities make employment opportunities plentiful. The market is rich for restaurants, services and retail shopping districts including Oakland Mall and the Somerset Collection. The Troy Chamber of Commerce offers valuable networking and professional development activities and hosts job fairs to assist local recruiting efforts. Through a partnership, Troy Chamber and Troy Public Library, job research, interviewing and workshops provide citizens assistance in exploring new career opportunities. Businesses interested in relocating in Troy are invited to contact the City's Real Estate & Development Department at 248.524.3498.

Troy - a place to call home

Troy's location, educational institutions, employment and business opportunities and top quality municipal services make it a great place to call home. Prospective residents can call Community Affairs at 248.524.1147 to request a community information packet.



Troy City Council

Back Row: Anthony N. Pallotta, Martin F. Howrylak, David A. Lambert, Thomas S. Kaszubski **Front:** Robin E. Beltrami, Matt Pryor, Louise Schilling

Troy City Council

Matt Pryor, Mayor
Thomas S. Kaszubski, Mayor Pro Tem
Robin E. Beltrami
Martin F. Howrylak
David A. Lambert
Anthony N. Pallotta
Louise E. Schilling

City Manager

John Szerlag

Assistant City Manager/ Finance & Administration

John M. Lamerato

Assistant City Manager/ Services

Gary Shripka

*Prepared by the
Financial Services Division*

For more information:
Community Affairs Department
500 West Big Beaver
Troy MI 48064
ph 248.524.1147

website www.ci.troy.mi.us

Greetings

On behalf of the city administration and the Troy City Council, I am pleased to present the 2001 Financial Summary. This report outlines the City's fiscal activities and economic situation. It should help put into perspective how City dollars are managed. I will take this opportunity to highlight some major accomplishments and programs going on in Troy:



Roads to Completion: Infrastructure projects like sewer and road construction continue near or on schedule. All major work on Big Beaver between Rochester and I-75 was completed one month ahead of schedule. We have finished Livernois reconstruction and widening and new median landscaping and street lights at 14 Mile and John R. These years (2001-2003) represent the most aggressive schedule of infrastructure improvements in the City's history.

New & Improved City Structures: New municipal buildings and renovations are taking shape. The first phase of our *Community Center* opens in March. Residents will receive a separate mailing on the numerous functions, family-oriented activities and fitness facilities. Main attractions include pools, fitness center, aerobic rooms, and much more. Construction will continue on the second and final phase through 2002 to complete expanded activity and meeting rooms. The *Fire-Police Training Center* is complete and operational. The new *Stage Nature Center* building will open early spring. Citizens, young and old, can visit living exhibits, take classes, and walk the trails at the 100-acre site.

These expanded facilities will better meet the needs of our community, which has experienced significant population growth over the past decade. According to Census data, Troy's population has risen over 11% (72,884 to 80,959 from 1990-2000). These population estimates may even be conservative according to the Southeaster Michigan Council of Governments (SEMCOG) – which suggests Troy total population may be as high as 85,000.

Financially Sound: No single factor says more about Troy's fiscal stability than the AAA bond ratings given to the City by both Fitch IBCA and Moody's Investors Service. The upgrades make Troy one of the two highest rated municipalities in Michigan. High bond ratings translate to savings for the City and its taxpayers. Troy is also one of only two Michigan cities to earn all three of the Government Finance Officers Association Awards for financial reporting. They recognized the City's Budget document, Comprehensive Annual Financial Report and the 2000 Financial Summary.

Public Safety: Our Police and Fire Departments continue to excel in preserving the safety and welfare of our community. Their ongoing efforts in crime and fire prevention, training, and executing their duties in the field ensure we enjoy the best police and fire service possible. An analysis of Federal Bureau of Investigations crime statistics ranked Troy as one of the nation's top 10 safest cities with population over 75,000.

Tribute to Veterans: Thanks to Sgt. Major Jack Turner, USMC Retired, and the Veterans Memorial Committee, we now have a beautiful monument in front of City Hall, which adds dignity to our Civic Center.

Open Lines of Communication: Keeping citizens informed about city services remains a top priority. We remind you that your City offices are available for information and assistance. If you have a question about City services, do not hesitate to call. You may also consult the City website at www.ci.troy.mi.us; watch WTRY Cable Television (10/53); read the quarterly *Troy Today* newsletter or call the Community Affairs Department at 248.524.1147.



Sincerely,

A handwritten signature in dark ink that reads "John Szerlag". The signature is fluid and cursive.

John Szerlag
Troy City Manager

City of Troy Economy

Troy's diversified economy remains strong through regional and national market fluctuations. A wide range of industries in the business community, well maintained neighborhoods, excellent schools and continued investment into roads and infrastructure all contribute to Troy's resilience. With 85,000 residents and the workday population exceeding 125,000, people constitute a strong market for the retail and service industries in Troy. These factors keep the city's unemployment rate well below Metro Detroit, State and National averages. See *Figure 2* to compare historical unemployment rates.

The community's growth is further dramatized by the significant rising value in Troy's taxable valuation (TV). From 1992, the TV increased by 41.8% from \$3,083,853,330 to \$4,373,072,080 (see *Figure 1*). Within the State of Michigan, the City of Detroit is the only municipality with a higher taxable value than Troy.

City of Troy's tax base continues to grow with new real estate developments. This reinforces our fiscal strength for Troy City government as well as the Troy Downtown Development Authority.

Major Initiatives

Major initiatives, more often than not, span multiple years. Ours are no exception. The City of Troy continues its culture of providing a high level of service.

Voters expressed their support for this philosophy with their approval of the \$47 million bonding proposals in 1999. Bonds continue to be issued for road improvements, purchasing parklands for open space and recreation activities and facility replacement and expansion.



The New Troy Veterans Memorial is the centerpiece of the plaza in front of City Hall - now named Veterans Plaza.

The 128 acres of the **Civic Center Campus** continue to be a focus of activity. The \$24.5 renovation and expansion of the Troy Community Center includes athletic and fitness facilities, community meeting space, banquet facilities and Parks & Recreation Administration offices. The first Phase will be opened in March of 2002.

The City also has requested proposals for the economic feasibility of a conference center and hotel on or adjacent to the civic center site. This study will examine the option of a performing arts center of 700 to 1,200 seats.

We are currently developing plans for a renovation/addition

Figure 1

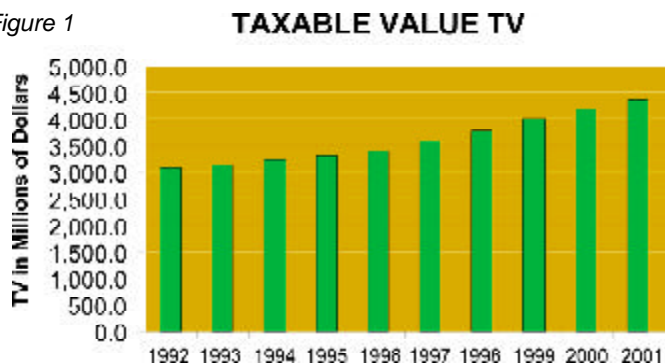


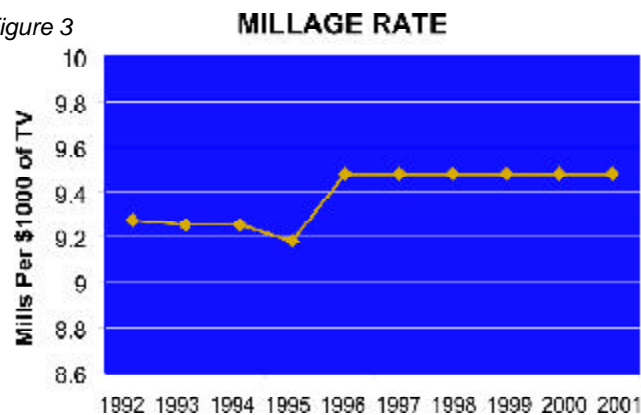
Figure 2

Unemployment Rates

Year	1990	1995	2001(July)
Troy	3.5%	2.2%	2.3%
Metro Area*	7.6%	5.1%	4.4%
Michigan	7.6%	5.3%	4.9%
National	5.5%	5.6%	4.5%

*Metro Area includes: Lapeer, Macomb, Monroe, Oakland, St.Clair, and Wayne Counties.

Figure 3



The City of Troy has maintained one of the lowest tax rates of surrounding cities and has held its rate constant for the past six years.

to the existing **City Hall** to accommodate enhanced police and fire administration activities. Thanks to Sgt. Maj. Jack Turner, USMC Retired, we have a magnificent Veterans Memorial in front of City Hall that adds dignity to our site and pays tribute to our nation's military.

The new **Fire-Police Training Facility** on John R south of Long Lake opened in November 2001. Construction and land acquisition costs for the 21,136 square foot building totalled \$2.9 million.

The City has progressed with plans for a new **18-hole golf course** by purchasing land in Section 1, the northeast corner of Troy.

Evaluating the City's Financial Condition

The **General Fund** is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. General Fund activities are financed by revenues from general property taxes, state shared revenues and other sources.

Figure 5 shows the total revenue and expenditures of this fund from 1992 to 2001. An indicator of financial strength and stability is a positive fund balance in the General Fund. Since 1994, the General Fund fund balance has grown from \$4.6 to \$23.4 million. Note that operating expenditures exceeded operating revenues from 1992 and 1993. These shortfalls were covered by fund balance.

The City's solid, diversified tax base and sound financial policies have been acknowledged by the financial community. Moody's Investors Service and Fitch IBCA both announced ratings upgrades to AAA for the General Obligation Unlimited Tax Bonds, Series 2001. The upgrades make Troy one of the two highest rated municipalities in Michigan. High bond ratings translate to savings for the City and its taxpayers.

In accordance with Generally Accepted Accounting Principles (GAAP), the City's financial activities are accounted for in a variety of funds other than the General Fund.

Special Revenue Funds such as the Downtown Development Authority, Major Street, Local Street, Refuse and Community Development Block Grant Funds are used to account for the

proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Funds account for the accumulation of resources for the annual payment of principal, interest and fees in connection with certain long-term debt other than debt payable from operations of a proprietary fund.

The **Capital Projects Fund** is used to account for financial resources for the acquisition or construction of major capital facilities other than those financed by the operations of a proprietary or nonexpendable trust fund.

Enterprise Funds such as the Water, Sanitary Sewer, Aquatic Center and Golf Course Fund are used to account for City operations which are similar to those often found in the private sector.

GENERAL FUND TAX LEVY Figure 4

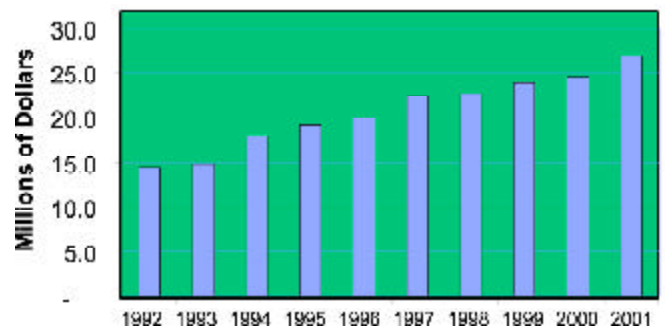
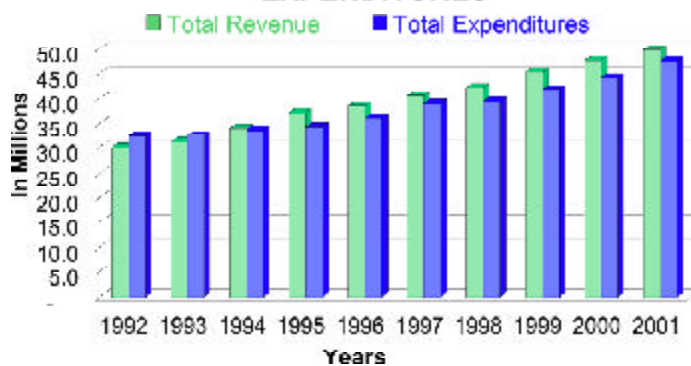
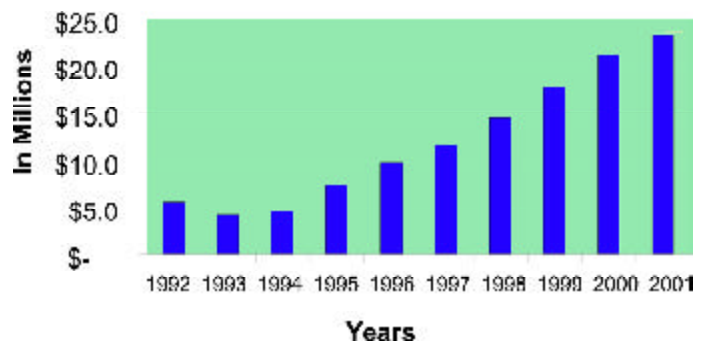


Figure 5

GENERAL FUND REVENUES AND EXPENDITURES



CHANGE IN GENERAL FUND EQUITY



Revenues and Expenditures (millions of dollars)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Total Revenue	\$ 29.0	\$ 30.0	\$ 31.2	\$ 34.0	\$ 37.1	\$ 38.5	\$ 40.7	\$ 42.3	\$ 45.3	\$ 47.6	\$ 49.9
Total Expenditures	30.0	32.5	32.6	33.6	34.3	36.1	39.0	39.3	41.9	44.3	47.5
Excess (Shortfall)	\$ (1.0)	\$ (2.5)	\$ (1.4)	\$ 0.4	\$ 2.8	\$ 2.4	\$ 1.7	\$ 3.0	\$ 3.4	\$ 3.3	\$ 2.4
Beginning Equity	9.1	8.1	5.6	4.2	4.6	7.4	9.8	11.5	14.5	17.9	21.0
Ending Equity	\$ 8.1	\$ 5.6	\$ 4.2	\$ 4.6	\$ 7.4	\$ 9.8	\$ 11.5	\$ 14.5	\$ 17.9	\$ 21.2	\$ 23.4
As a % of Revenue	27.93%	18.67%	13.46%	13.53%	19.95%	25.45%	28.26%	34.28%	39.51%	44.54%	46.89%

Source: City of Troy Comprehensive Annual Financial Report

Determining net income of Enterprise Funds is necessary to effectively evaluate programs and conduct sound financial administration.

Nonexpendable Trust Fund is a trust fund in which the principal may not be spent.

The overall 2001 revenues and expenses for major City activities by individual fund type are taken from the *Comprehensive Annual Financial Report (CAFR)* and shown in *Figure 6*. As can be seen from the chart, some groupings of funds amount to more than the General Fund. This *Financial Summary* is designed to help you more easily identify with services provided by the City of Troy.

To examine more detailed information where the totals are represented by function, please consult the *CAFR* document. Both the summary and the *CAFR* are available to the public at the Troy Public Library, 510 Big Beaver, and the City Clerk's Office in City Hall, 500 Big Beaver. You may also call the City at 248.524.1147 to request a copy.

The Statement of Activities does not present the revenues or expenses of the Internal Service Funds of the City, nor certain

Fiduciary funds. The main focus of this document is to present information on services provided to the citizens, not services provided internally to other City operations.

Revenues

The distribution of City revenues are illustrated in *Figure 8* on page 6 and defined as follows:

Property Taxes and Special Assessments

The City collected \$45,093,163 in property taxes and special assessments. The City's total tax rate of \$9.48 includes the General Fund, Refuse Collection, Debt Service and Capital Projects activities. The City has .73 mills in available tax rate capacity for general and capital activities. Special Assessments totaling \$543,388 of the \$45,093,163 were generated from charges to benefited properties for various public improvement projects. As indicated in *Figure 7*, the City's tax rate represents just 27% of total property tax dollars. Those tax dollars represent approximately half of the City's total revenue as illustrated in *Figure 8* on page 6.

Figure 6

City of Troy Statement of Activities For the Year Ended June 30, 2001

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Nonexpendable Trust	Total
Revenues:							
Property Taxes & Special Assessments	\$27,295,287	\$7,533,127	\$3,393,679	\$6,871,070	\$ -	\$ -	\$45,093,163
Licenses and Permits	2,048,206						2,048,206
Federal Grants	111,937	161,945		33,168			307,050
State Grants	8,366,634	4,412,467		233,578			13,012,679
County	118,646						118,646
Charges for Services	3,417,332	1,431		578,030	14,446,106	400	18,443,299
Investment Income	1,305,661	627,524	918,774	2,554,595	2,737,386	7,657	8,151,597
Other	3,231,954			444,074	1,541,910		5,217,938
Total Revenues:	\$45,895,657	\$12,736,494	\$4,312,453	\$10,714,515	\$18,725,402	\$8,057	\$92,392,578
Expenditures/Expenses:							
General Government	\$7,099,140	\$ -	\$35,680	\$ -	\$1,073,867	\$ -	\$8,206,687
Public Safety	22,787,828						22,787,828
Roads and Streets	3,458,730						3,458,730
Other Public Works	3,359,645	3,477,389			14,270,697		21,107,731
Parks and Recreation	5,794,366				1,721,803		7,516,169
Debt Service			5,132,067		138,588		5,270,655
Capital Outlay				22,422,333			22,422,333
Other	3,196,020	397,874					3,594,683
Total Expenditures/Expenses	\$45,696,518	\$3,875,263	\$5,167,747	\$22,422,333	\$17,204,955	-	\$94,366,816
Other Financing Sources (Uses)	\$2,228,145	(\$8,295,663)	\$1,976,926	\$19,701,953	-	-	\$15,611,361
Excess Revenues and Financing Sources	\$2,427,284	\$565,568	\$1,121,632	\$7,994,135	\$1,520,447	\$8,057	\$13,637,123

Licenses and Permits

This source of revenue, which furnished \$2,048,206, is generated by fees charged to individuals and businesses which allow for the building of new structures as well as improvements to existing structures. The largest source of revenue from this source is generated from Building Permits.

Intergovernmental Revenue

Revenue from Federal, State and County governments - mainly in the form of state shared revenue totaled \$13,438,375.

Charges for Services

The City collected various fees charged for services and sales rendered in the amount \$18,443,299.

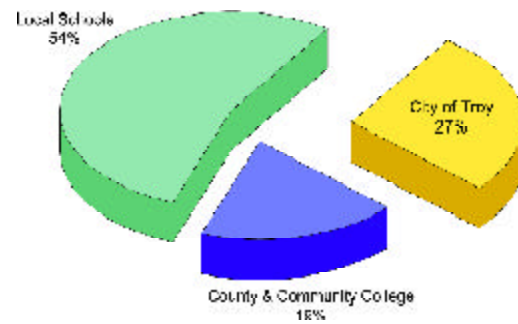
Investment Income

The City generated \$8,151,597 of revenue through interest on investments.

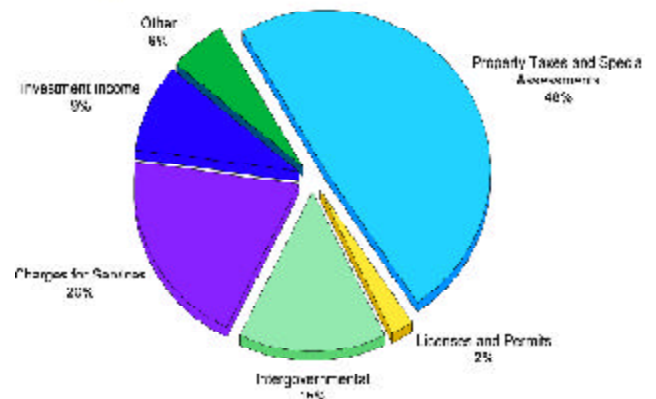
Other Revenue

For the remaining balance of revenue, \$5,217,938, the major components of this revenue source was administrative and recreation fees.

Where Your Property Tax Dollars Go *Figure 7*



Where the City Gets Its Revenue *Figure 8*



Expenditures

The City generalizes its major program activities in eight areas: General Government, Public Safety, Roads and Streets, Other Public Works, Parks and Recreation, Debt Service, Capital Outlay and Other. See Figure 9 for an illustration each area's percentage of total City expenditures.

General Government

The General Government group of expenditures accumulates to \$8,206,687. It includes all areas of the City involved in the administration, legislative and financial aspects of City business. This category includes expenditures for: City Council, City Manager, City Attorney, Assessing, City Clerk, Elections, Accounting, Human Resources, Purchasing, Treasurer, Community Affairs, Planning, Real Estate and Development, City Hall and Water Division.

Public Safety

All aspects of police and fire protection as well as building inspection services are included in expenditures of \$22,787,828.

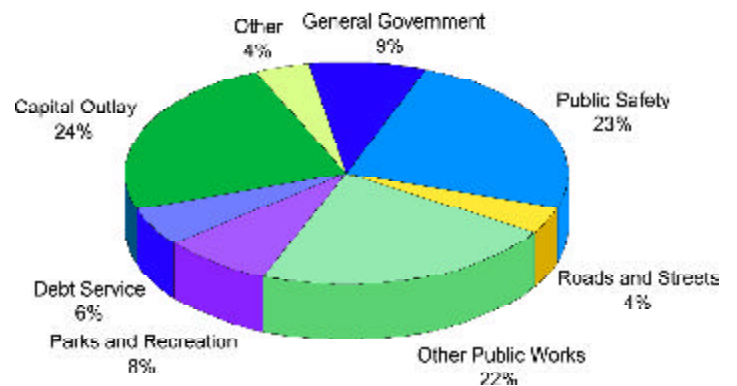
Roads and Streets

\$ 3,458,730 - represents the cost of maintenance for all major, local and county roads within the City.

Other Public Works

\$21,107,731 - consists of the cost associated with Engineering, Storm Drain Maintenance, Sanitation, Water Supply and Sanitary Sewer functions.

MAJOR PROGRAM EXPENSES *Figure 9*



Parks and Recreation

\$7,516,169 - represents the cost of providing recreation, aquatic and golf course activities.

Debt Service

\$5,270,655 - consists of principal and interest payments on maturing debt.

Other

\$3,594,683 - represents the cost of providing Library, Downtown Development and Community Development Block Grant functions.

General Government

The General Government group of expenditures is broken down into the seven areas (see Figure 10). They include activities related to administrative, legislative and financial aspects of City business.

City Council

The City Council approved the current budget and the 9.48 millage rate, one of the lowest millage rates of any comparably sized city in the State of Michigan. The City Council typically meets the first and third Monday of each month. The seven elected officials of the Council serve on a part-time basis and act as the legislative branch of government. Council enacts ordinances, approves the City budget, and appoints the City Manager, City Attorney and board and commission members.

City Manager

The City Manager oversees the daily operations of the City of Troy government. This office researches, evaluates and develops public policy and programming to achieve the highest levels of efficiency and reinforce Troy's economic foundation. Current projects include development of the Civic Center site, monitoring budget procedures and performance, a \$47 million bond issue, and examining State and Federal legislative issues that may impact the City of Troy.

City Attorney

This office conducts the legal service for the City including the City Council, boards and committees. It reviews ordinances, contracts, bonds and any other legal documents. It prosecutes ordinance violations, represents the City for litigation, and advises City offices, City Council, and other appointed officers regarding legal issues related to city business. The City Attorney does not furnish private legal advice, however it does refer citizens to available legal services. Its diligent efforts protect the interests of its citizens and agents.

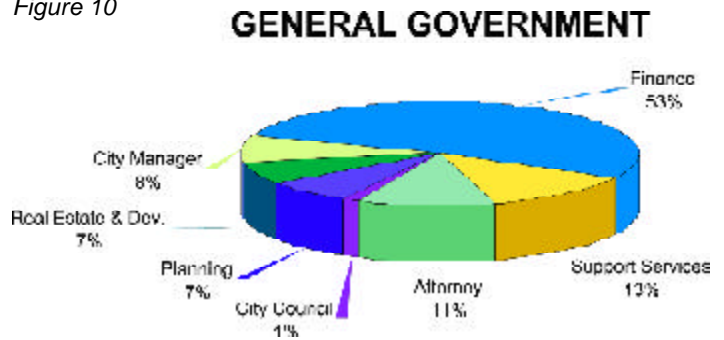
Finance

The Finance Division is comprised of a broad range of departments and services including: Accounting, Assessing, City Clerk, Community Affairs, Human Resources, Information Technology, Purchasing, Risk Management and Treasury. Each furnishes important contributions to government operations - both internally and externally.

Accounting is responsible for maintaining accurate financial records including payroll, accounts payable, assets, liabilities and long-term capital projects.

In addition to assessing all real and personal property within the City limits, the **Assessing Department** maintains detailed legal descriptions of all properties and records related to their ownership. In total, the Assessing Department is responsible for a combined State Equalized Value that tops \$5.2 billion. This value is the second in the State of Michigan *only* to the City of Detroit.

Figure 10



The **City Clerk's Office** provides citizen access to current and historical information related to the City Charter, Code and City Council minutes. It continues to improve its procedures for preparing the City Council agenda through electronic networking. The City Clerk is responsible for conducting all elections and maintaining voter registration files. The Clerk's office maintains records of 55,333 voters. In the April 2, 2001 General City Election, a 20% voter turnout represents double the percentage of voters in the past three City elections. Comparatively, the November 7, 2000 Presidential Election had a 72% voter turnout. Expenditures related to this function fluctuate depending on the number of elections in a given year.

The **Community Affairs Department** provides a centralized resource for information about the City and its activities. It uses Internet, television, press communications and publications to promote community information, activities and programs to citizens and businesses. Community Affairs disseminates news and information about the City of Troy through media relations, WTRY - government access television, *Troy Today* - the city's quarterly newsletter, City website, the *City Calendar/Annual Report*.

It serves as the city's liaison to the media and community groups like Leadership Troy, Troy Community Coalition, Troy Daze Festival and Council of Troy Homeowner Association (COTHA).

Community Affairs also offers new and prospective residents and businesses relocation information packets containing community profile information, a city service directory, quarterly newsletters, brochures, and a copy of the annual *Financial Summary* and *City Calendar/Annual Report*. Call to request a packet at 248.524.1147.

Human Resources strives to recruit exceptional and dedicated employees to best serve the public. Currently, it is monitoring and evaluating issues related to a new classification and compensation process. It is also developing a profile databank for current employees including skills, education, and professional certifications for tracking purposes.

Information Technology (IT) provides internal support for all computer-related technology. It coordinates system maintenance, security, network communications and equipment purchases. IT also programs the City Intranet and Internet websites and assists the integration of departmental and city-wide systems.

The **Purchasing Department's** primary mission is procuring goods and services for the City at the lowest competitive price from competent vendors meeting specifications. To ensure fair and competitive bidding, the Purchasing Department maintains an open door policy to any vendors wanting to be included on City of Troy bid lists. It also acts as the "host city" for a number of contracts used by other cities throughout the Tri-County Purchasing Cooperative for office supplies, pager rental, and ice-melting compounds.

Risk Management administers insurance programs. It seeks to eliminate any areas of operation or policy that expose the City to unnecessary financial risk.

The **Treasury Department** has increased the efficiency of tax and water bill collections by expanding the number of customer service avenues to allow bill payment after hours and lock box service. It added Internet access to tax information, encourages use of *Direct Payment* <www.thepaymentsauthority.org> for water customers and is implementing a credit card payment option.

Parks & Recreation

Parks and Recreation expenditures totaled \$7,516,169 of the total city budget. It provides the community with a range of services including operating the Family Aquatic Center, Nature Center, Community Center, Sylvan Glen Golf Course, Senior Citizen programs and 15 parks.

It also coordinates the year round schedule of recreation and leisure activities, special events, and educational programming. See *Figure 11* for an illustration of expenditures.

Administration

Parks & Recreation Administration expenditures totaled \$1,029,602.

Programs (Winter and Summer)

Together, these portions of the Parks & Recreation expenditures total \$1,293,372. They furnish citizens with a full spectrum of athletic, educational and leisure programming for all ages and all abilities. This includes programs and activities for preschoolers, senior citizens and adaptive recreation for persons with disabilities. The Summer schedule offers 21 sport camps cosponsored by the Troy School District for ages 4 to adult. Parks & Recreation programming greatly enhances quality of life for Troy residents, and increases Troy's attractiveness to new home buyers.

Community Center

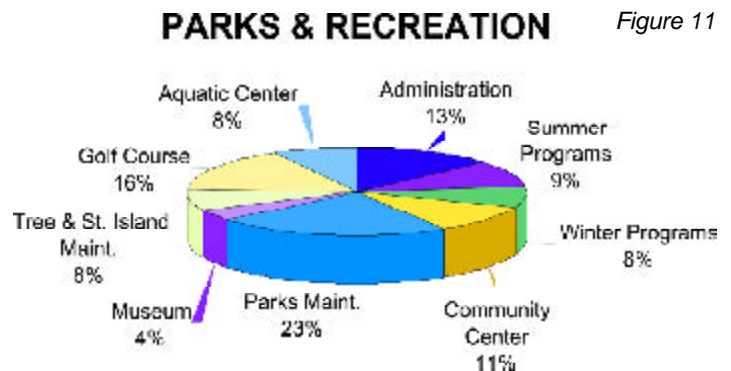
The City expended \$770,805 on Community Center operations. The center renovations and expansion project has progressed quickly. The first phase will open in March of 2002. The building provides administrative offices, meeting rooms and recreation facilities. Citizens and community groups may reserve meeting rooms. It serves over 250,000 visitors annually.

Planning

Coordinated by the Information Technology Department, Planning is working with the Engineering, Building, Assessing and Real Estate & Development Departments are developing a new, computerized base map series as a basis for the Geographic Information System. Planning also reviews and updates the Master Land Use Plan and Zoning Ordinance. It is preparing to produce a publication summarizing the background and content of the updated Master Plan.

Real Estate & Development

Real Estate & Development advises and supports the city administration on issues and activities related to real estate, right of way and economic development. It coordinates property acquisition, relocation assistance, property management, disposal of excess properties, title protection and investigation and asset management. It is working to advance development of large scale projects including the Civic Center and Big Beaver Airport. It plays an integral part in obtaining land for road widening projects on major thoroughfares like Crooks, Big Beaver, Livernois, Dequindre, and Long Lake.



Parks Maintenance

Parks Maintenance represents the largest portion, \$1,841,540, of the Parks & Recreation expenditures. It provides maintenance to Troy's 15 neighborhood and major parks that total 540 acres. This includes care for athletic fields, play structures and equipment. Funding also covers servicing city grounds, cemeteries and the annual Magic of Fall/Troy Daze Festival.

Museum¹

The City expended \$303,173 for Troy Museum and Historic Village operations. Located at 60 West Wattles, this facility lets citizens of all ages explore historical aspects of the community. Programs and special events are supported by volunteers who contribute over 4,000 service hours. The museum welcomes more than 19,000 visitors annually. The facility includes administrative offices, an exhibit gallery, a reference library, Museum Guild Gift Shop, and seven 19th Century structures and Gazebo collected around the Village Green.

¹The Museum has been transferred from the Parks and Recreation Department to the Library Department to develop synergy between the Museum and Library collections and maximize staff talents.

Tree & Street Island Maintenance

The city expended \$555,874 to trim 3,000 and plant 500 trees in right of way properties. This work enhances the image and desirability of the city as well as contributes to public safety and the environment.

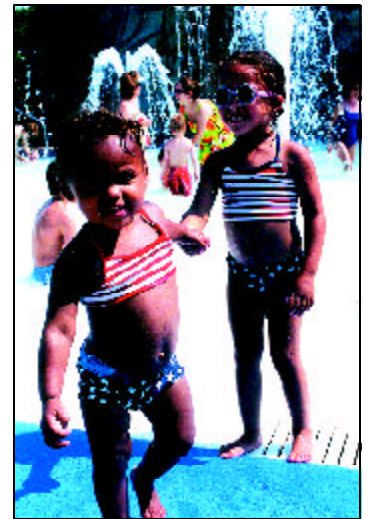
Golf Course*

Sylvan Glen Golf Course, an enterprise fund* (see footnote on page 10), expended \$1,156,231. The golf course furnishes over 60,000 rounds of golf per year as well as access to golf lessons, a pro shop, restaurant and banquet facilities. In winter months, the course is available for cross-country skiing. Revenues exceeded expenditures, resulting in net income of \$118,725. The City currently is studying the prospect of an additional 18-hole golf course.



Family Aquatic Center*

The Family Aquatic Center, an enterprise fund* (see footnote on page 10), expended \$565,572. The center issues seasonal passes to residents and citizens employed in the City of Troy. It furnishes access to swimming lessons and activities in its main pool, splash pools, water slides and sand play areas from Memorial Day weekend to Labor Day weekend. The center also hosts substance-free teen events weekly with live entertainment from local bands. Almost 50,000 admissions were recorded in 2001.



◀ Troy is developing a second City golf course to offer more recreation opportunities to citizens.

▶ Troy's Family Aquatic Center is open Memorial Weekend through Labor Day Weekend. Daily & Season passes are available for purchase to residents and people who work in Troy.

Public Safety

Police Department

The Police Department activities are broken into specific areas of service in *Figure 12*. Troy Police Department subscribes to a community-oriented policing philosophy. It emphasizes crime prevention and partnerships with community groups to generate awareness and participation in keeping Troy safe. According to an analysis of FBIcrime statistics of cities with populations over 75,000, Morgan Quitno Press ranked Troy among the top 10 safest cities in the nation.

- The Locks of Love Hair Drive coordinated by Officer Nicolette Kaptur garnered an 2001 *Clarion Award* and an *Apex Communications Award*
- 31-year veteran, Sergeant Mike Kerr, won the 2001 *National Pistol Championship* at Camp Perry, Ohio

Police Administration expenditures total \$1,222,131. Administration is responsible for coordination and administration of grants, developing policy and procedures and human resources.

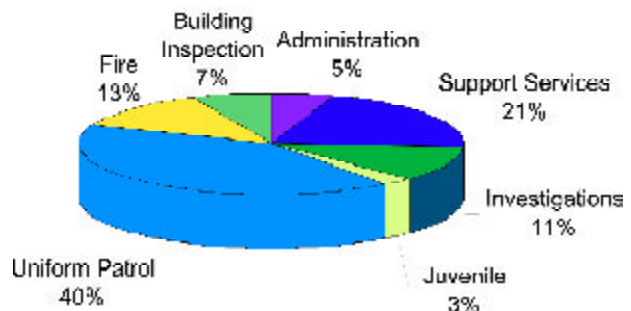
Uniform Patrol, \$9,298,428, represents 40% of the public safety expenditures. This includes motor, foot and bicycle patrol.

Investigations Division, \$2,572,069, provides for investigation of crimes and suspected crimes. It also administers criminal and drug forfeiture actions.

The **Juvenile** and **Support Services** expenditures were \$620, 085 and \$4,702,907 respectively.

PUBLIC SAFETY

Figure 12



Troy Police launched a new motorcycle patrol this past year. This expands department mobility and effectiveness during peak traffic times.

Fire Department

Troy Fire Department's expenditures of \$2,871,401 finances 14 permanent, paid positions and approximately 180 volunteer fire fighters staffing six fire stations. It provides thorough training (16,906 total hours in 2000) and an emphasis on fire prevention efforts

through strict enforcement of building codes and public education. The city enjoys excellent fire protection service from its volunteers as well as significant savings for its taxpayers.



Volunteer Fire Fighters attend 280 hours of training through the State of Michigan during their initial probationary period as well as a minimum of 60 hours per year thereafter.

The Fire Department cultivates fire safety awareness and volunteer participation by hosting an Annual Fire Department Open House the first week of each October and sponsoring Explorer Post #911 for youth interested in fire service careers and maintaining an active presence in the community.

Troy Fire Department earned the Life Safety Achievement Award for the fifth consecutive year. The Residential Fire Safety Institute uses this award to recognize a community's record of *zero* fire-related fatalities.

Building Inspection

The City expended \$1,500,807 on Building Inspection. These services enforce the Troy City Code including building codes, property maintenance, and Zoning Ordinance. It issued 1,946 building permits (July 2000- June 2001) for construction valued at over \$230,713,492. Building Inspection's activities help ensure the quality and safety of new construction in Troy, an essential element to the long-term value of properties and protection of Troy citizens.

Other Public Works

Other Public Works refers to Public Works Department functions other than "Roads and Streets" activities. See *Figure 13* for an illustration of expenditures.

Water* and Sanitary Sewer*

Water and Sanitary Sewer produced expenditures of \$8,114,008 and \$7,230,556 respectively. These accounts are both categorized as Enterprise Funds*. Their services furnish water delivery, water and sewage disposal, system maintenance, operations, and meters and taps. The Water Fund reported a net income of \$1,587,282. The Sewer Fund reported a net income of \$4,370.

Delivering safe drinking water and responding quickly to service calls are top priorities of the Water and Sewer operations. In 2000, the city replaced 56,927 feet of water main, conducted 226 water sample tests, cleaned 661,683 feet of sanitary sewer and answered over 2,048 calls for service.

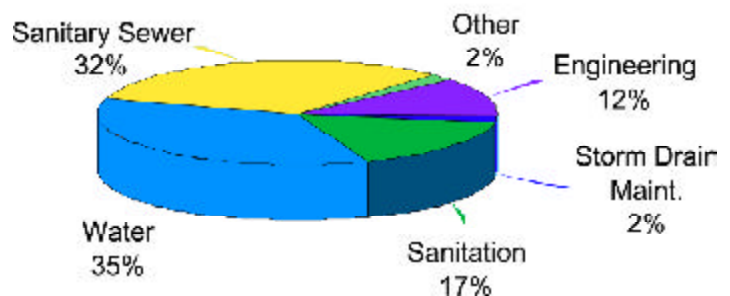
In accordance with the Federal Safe Water Act, the Public Works Department distributed the *Water Quality Report* to residents and businesses in June. The report confirms Troy's drinking water supply is safe and clean! Copies may be obtained by calling 248.524.3546 or online at <www.ci.troy.mi.us> on the Public Works page.

Engineering

Engineering provides for design and administration of public improvement projects like roads, sanitary sewers, water mains and sidewalks. It also provides surveying, inspection, and traffic engineering services. Expenditures totaled \$2,461,572.

OTHER PUBLIC WORKS

Figure 13



Storm Drain Maintenance

The City spent \$391,101 to protect and maintain the City's storm drain system. Troy maintains 240.3 miles of storm sewer and operates the system in a safe, environmentally safe manner with inspection, maintenance and repair efforts. Last year, the Public Works Department cleaned over 1,200 catch basins throughout the City.

Sanitation

Sanitation services, contracted through a private firm, provide weekly refuse collection for 24,490 homes, condominiums, mobile homes, and duplexes. Refuse from 4,181 apartments is also collected. Sanitation services includes curbside recycling pickup services to those same customers as well as a recycling drop-off center which collected 5,628 tons of recyclables. Its seasonal pickup of soft yard waste and Christmas trees for composting collected 3,953 tons in 2000. Composting and recycling has helped minimize use of landfill space.

*Enterprise funds are used to account for City operations which are similar to those often found in the private sector, where detailing the net income (profit) is useful to conduct sound financial management.

Roads & Streets

Troy maintains 368 miles of local roadways and 50 miles of major and county roads. Roads and streets activities are essential to maintaining a viable transportation network throughout the City. These include repairs of patching, slab replacement, sweeping, crack and joint sealing on concrete, asphalt and gravel roadways.

The City replaces 12% of its 20,000 street name and traffic signs due to damage caused by wear and traffic accidents each year. During the winter months, Troy keeps its commitment to clear all roads within 24 hours after a snow fall of more than four inches.

Total expenditures, \$3,458,730, are broken into the three categories of Major Streets, Local Streets and County Roads. See *Figure 14*.

Major Streets

The \$1,797,220 spent on Major Streets includes snow and ice removal, routine maintenance and signage.

Local Streets

\$1,326,740 on Local Streets includes snow and ice removal, routine maintenance and signage, surface repairs (patching), sweeping and dust control.

County Roads

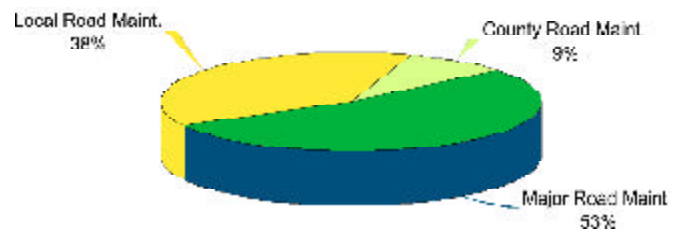
The City's County Roads expenditures of \$334,770 primarily reflect snow and ice removal and administrative costs.



The infrastructure improvements schedule from 2001-2003 represents the most aggressive in the City of Troy's history.

ROADS and STREETS

Figure 14



Capital Outlay

Streets & Drains

The City expended \$12,140,385 on street improvements and drain projects. Street improvements typically account for a majority of Capital Outlay Expenditures.

Civic Center & Library

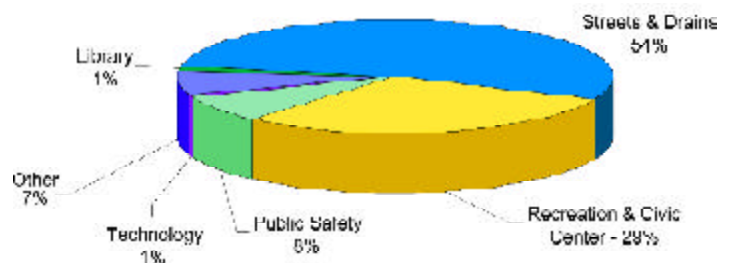
Community Center construction began in December 2000. The final structure of 127,000 square feet will include a renovated gym, new locker rooms, indoor pools, dedicated space for seniors, teens, craft classes and meeting rooms, 300-person capacity meeting/banquet room, and play areas for children. Approximately \$6.5 million was invested in the Civic Center project this past year, and work continues. Throughout the renovation, the Center has remained open for programming and administrative operations. Major expenditures by the Library Department totalled \$337,276.

Public Safety

Key expenditures are related to communications and apparatus replacement. The City has developed a plan to reserve funds over several years to accommodate for apparatus replacement due to the significant cost of firefighting equipment. This past year, expenditures remained under budget at \$1,711,911.

CAPITAL OUTLAY

Figure 15



Technology

The City invests in technology for all departments. Some major projects underway include obtaining a document imaging system. Technology upgrades and enhancements maximize staff productivity, speed internal and external communications and increases public access to information. This year, expenditures totalled \$223,400.

Other

Other expenditures included satisfying debt requirements in the amount of \$643,050.

Getting more information...

Community Affairs Department

Community Affairs offers new and prospective residents and businesses a information packet containing a city service directory, quarterly newsletter, community profile information, a copy of the annual Financial Summary, as well as brochures from city departments, programs and service organizations. Call to request a packet or other information at 248.524.1147 or email Cynthia Stewart, Community Affairs Director, at stewartca@ci.troy.mi.us.

City of Troy Website - www.ci.troy.mi.us

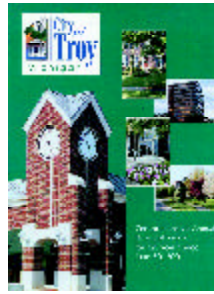
Internet access creates a 24-hour, 7-day-a-week service window for citizens seeking information about the City. The site is developed internally by the Information Technology and Community Affairs Departments. The Police and Library Departments are each responsible for their respective sites - all of which are accessible from www.ci.troy.mi.us.

What's online at www.ci.troy.mi.us

- The ability to check your property tax bill balance
- Current bid items posted by the Purchasing Department
- City job postings
- Community Calendar
- City Council meeting agendas & minutes
- Building Permit Applications
- Business license application forms from the City Clerk
- *Troy Today*, *Annual Water Report* and other city publications
- News releases
- *City Code and Charter*
- Email access to City Council and administrators

You can always give us a call

City Manager, John Szerlag	248.524.3330
Assistant City Manager/Finance, John M. Lamerato	248.524.3329
Assistant City Manager/Services, Gary A. Shripka	248.524.3329
Building and Zoning Director, Mark Stimac	248.524.3344
City Assessor, Nino Licari	248.524.3311
City Attorney, Lori Grigg Bluhm	248.524.3320
City Clerk, Tonni Bartholomew	248.524.3316
City Engineer, Steve Vandette	248.524.3383
City Treasurer, Nancy Aguinaga	248.524.3336
Community Affairs Director, Cynthia Stewart	248.524.1147
Director of Building Operations, Steven Pallotta	248.524.3368
Financial Services Director, James Nash	248.526.5123
Fire Chief, William Nelson	248.524.3419
Human Resources Director, Peggy Clifton	248.524.3339
Information Technology Director, Gert Paraskevin	248.524.3416
Library/Museum Director, Brian Stoutenburg	248.524.3538
Parks & Recreation Director, Carol Anderson	248.524.3484
Planning Director, Mark Miller	248.524.3364
Police Chief, Charles Craft	248.524.3443
Public Works Director, William Need	248.524.3489
Purchasing Director, Jeanette Bennett	248.524.3338
Real Estate & Development Director, Douglas Smith	248.524.3498
Risk Manager, Stephen Cooperrider	248.526.5128
Traffic Engineer, John Abraham	248.524.3379



Comprehensive Annual Financial Report (CAFR)

The Information in this document has been drawn from the City of Troy Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2001. The City was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA) for its CAFR for the fiscal year ended 2000. The

Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our CAFR continues to conform to the Certificate of Achievement program requirements and we are submitting our CAFR for the current year to the GFOA.

Complete financial statements of the City of Troy with additional demographic and economic information are published in the *Comprehensive Annual Financial Report (CAFR)*.

To request a copy of the CAFR, contact John M. Lamerato, Assistant City Manager/Finance & Administration by mail 500 West Big Beaver, Troy MI 48084; email lameratojm@ci.troy.mi.us; or phone 248.524.3329.

GFOA Award for Outstanding Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Troy for its Popular Annual Financial Report for the fiscal year ended June 30, 2000. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

